

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Orchard Post Office
Orchard, Iowa

Docket No. A2012-45

PUBLIC REPRESENTATIVE COMMENTS
OPPOSING REMAND
(January 25, 2012)

After careful review of the Postal Service's Final Determination, the materials in the Administrative Record, the arguments presented by Petitioners, and the Postal Service Comments, the Public Representative concludes that the Postal Service has followed applicable procedures, that the decision to close the Orchard Post Office is neither arbitrary nor capricious, and that the Postal Service's decision is supported by substantial evidence. However, there are inconsistencies and unanswered questions in the Administrative Record (AR).

Cluster Box Units? On December 22, 2011, the Postal Service filed an addendum to the Administrative Record.¹ The addendum is a memo to the record, which is to be inserted as page 2 of Item 17. The memo states:

Item 17 indicates that there would be no additional cost to discontinuing the Orchard Post Office for Cluster Box Units (CBUs).

Utilizing the Cluster Box Units would be an additional \$4304.39. This additional expense would be an initial outlay of funds, but not an annual cost.

Item 17 is the Rural Route Cost Analysis Form. It does not have a line for entering a cost for CBUs. It does, however, have a line for entering the *number* of "Centralized boxes." That number is zero. The Proposal Checklist has a line for entering a one-time cost for CBUs, and that cost is zero. Item 29, at 2, Section IV. If the Postal Service is

¹ United States Postal Service Notice of Filing of Addendum to Administrative Record, December 22, 2011, at 2 (Addendum).

actually going to install CBUs in Orchard, then both Item 17 and Item 29 should have been amended.

The Postal Service states: “CBUs for [] carrier service will be installed and maintained by the Postal Service.”² The Postal Service relies on the existence of CBUs (and parcel lockers) to assuage customer concerns about mail security, highway safety, snow accumulation, and other inclement weather conditions. Comments at 10-11. However, the record does not contain a declarative statement that the Postal Service will install CBUs. All mention of CBUs is conditional or descriptive. This was one of the reasons that the Commission remanded Docket No. A2011-40. The Commission stated:

The Postal Service discusses as an advantage of the Final Determination the security of cluster box units (CBUs). It also discusses the convenience of parcel lockers. . . . However, the Postal Service never conclusively states that it will be installing CBUs or parcel lockers. Furthermore, the Postal Service does not include any costs for installing such units. This ambiguity, in combination with the distance to the next closest postal facility, leads the Commission to question whether the Postal Service gave serious consideration to the provision of effective and regular service.³

The Post Office Survey Sheet inquires about “potential CBU parcel locker sites.” AR, Item 15, at 2, Line 11. The response is, “*If pursued* at City Hall site.” (Emphasis added.) A March 11, 2011, letter distributing questionnaires to customers states that the Postal Service “would like to provide pickup and delivery of your mail . . . to cluster box units or curbside mailboxes.” AR, Item 21, at 1. Enclosed with that letter, in addition to the questionnaire, was a “CBU Information Sheet.” See *id.* at 6. The Postal Service received 20 responses to this questionnaire. See *id.*, Item 22, at 1-65. However, on May 12, 2011, the Postal Service sent a second letter distributing questionnaires to customers. That letter states that “we would like to provide pickup and delivery of your mail . . . by rural route service emanating from the Osage Post Office.” *Id.*, Item 21, at 7. The only mention of CBUs appears in the list of enclosures: “CBU information sheet (when appropriate).” This information sheet does not appear in the record, although all the other enclosures listed do. See *id.* at 8-11. The Postal

² United States Postal Service Comments Regarding Appeal, December 22, 2011, at 9 (Comments).

³ Docket No. A2011-40, Order Remanding Determination, November 18, 2011, at 9 (Order No. 982).

Service received 39 responses to the second questionnaire. See *id.*, Item 22, at 66-187. Petitioners responded to the first questionnaire.⁴

If the Postal Service is actually planning to install CBUs and parcel lockers in Orchard, then the Proposals to Close and the Final Determination should contain explicit language to that effect. Handbook PO-101 provides the following language to be included in Paragraph B (*i.e.*, the second paragraph) of Section I, Responsiveness to Community Postal Needs, of a Proposal:

CBUs are secure free-standing units of individually locked mail compartments installed and maintained by the Postal Service at no cost to the customer. These units will be placed in the public right-of-way on the carrier's line-of-travel (LOT). Parcel lockers will also be installed for customer convenience.⁵

The Final Determination should begin as follows:

The Postal Service has determined to close the <>, <>, Post Office and provide delivery and retail services by a rural route administered by the <>, <>, Post Office, located <> miles away. Service *will be provided to cluster box units* (CBUs) installed on the carrier's line-of-travel.

CBUs are secure free-standing units of individually locked mail compartments installed and maintained by the Postal Service at no cost to the customer. These units *have been placed* in the public right-of-way on the carrier's line-of-travel. Parcel lockers were also installed for customer convenience.

Handbook PO-101 at 167 (emphasis added). None of the language relating to CBUs appears in either of the Proposals nor in the Final Determination. See AR, Item 33, at 2; *id.*, Item 41, at 2; FD at 2.

Economic savings. The Final Determination lists rent of \$600 per year as part of the annual savings from closing the Orchard Post Office. FD at 8. However, the Proposal Fact Sheet lists the rent as \$500. AR, Item 18, Line 16a. This is a small discrepancy, but it raises questions about the overall care with which the Postal Service prepared its Final Determination. It also calls attention to Line 16b of the Proposal Fact Sheet. That Line reads: "The land is the only real estate that is leased. The Postal

⁴ See AR, Item 22, at 5, 45. Almost all respondents to the first questionnaire have PO Box addresses. All of the respondents to the second questionnaire have street addresses. The two questionnaires differ in appearance, but they solicit the same information.

⁵ Docket No. N2009-1, Library Reference USPS-LR-N2009-1/3, USPS Handbook PO 101, Post Office Discontinuance Guide (2004), July 27, 2009, at 109

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Service owns the building that is on the land.” Presumably there are expenses associated with insuring, maintaining, relocating, or demolishing the building. None of these have been considered in the calculation of economic savings.

Respectfully submitted,

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